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CHAPTER

Money & Finance in Banking

- Which of the following is not one of the Monitorable Targets of the 11th Five Year Plan (2007–12)?
(SBI PO 2010)
 - To increase the average GDP growth rate
 - To increasing the literacy rate
 - To increase energy efficiency
 - To improve sex ratio
 - To maximize the effect of global warming
- What does the letter 'L' denote in the term 'LAF' as referred every now and then in relation to monetary policy of the RBI?
(SBI PO 2011)
 - Liquidity
 - Liability
 - Leveraged
 - Longitudinal
 - Linear
- The European Union has adopted which of the following as a common currency?
(IBPS PO/MT 2013)
 - Dollar
 - Dinar
 - Yen
 - Euro
 - Peso
- Government usually classifies its expenditure in term of planned and non-planned expenditure. Identify, which is the correct definition of Planned expenditure?
(IBPS PO/MT 2013)
 - It represents the expenditure of all the State Governments.
 - It represents the total expenditure of the Central Government.
 - It is the expenditure which is spent through centrally sponsored programmes and flagship schemes of Government.
 - It represents the expenditure incurred on Defence.
 - Other than those given as options.
- Which of the following places in India does **not** have a Stock Exchange?
(SBI Clerk 2011)
 - Kolkata
 - Ahmedabad
 - Mumbai
 - Delhi
 - Udaipur
- What is financial inclusion?
(SBI Clerk 2011)
 - To provide a permanent employment to the unemployed
 - To provide a 100 days job to all those who are in need of a job
 - To provide banking services to all those living in remote areas
 - To ensure that all financial transactions amounting ₹ 5,000 and above are done through banks.
 - To provide finances for all
- Which of the following terms is used in banking and finance?
(SBI Clerk 2011)
 - Abiotic
 - Demand Deposit
 - Fat scales
 - A diabetic
 - Cathode
- Which of the following is an economic term?
(SBI Clerk 2011)
 - Plaintiff
 - Bunker Blaster
 - Deflation
 - Lampoon
 - Zero Hour
- What does the letter 'F' denote in the abbreviated name 'IIFCL'?
(SBI Clerk 2011)
 - Functional
 - Foreign
 - Forwarded
 - Finance
 - None of these
- NAV is normally used in respect of schemes floated by _____
(SBI Clerk 2011)
 - Banks
 - Mutual funds
 - Insurance companies
 - Merchant banker
 - None of these
- Money laundering refers to _____
(SBI Clerk 2011)
 - Conversion of assets into cash
 - Conversion of money which is illegally obtained
 - Conversion of cash into gold
 - Conversion of gold into cash
 - Money power
- What is money laundering?
(IBPS Clerk 2011)
 - Conversion of assets into cash
 - Conversion of Money which is illegally obtained
 - Conversion of cash into gold
 - Conversion of gold into cash
 - Conversion of gold into foreign currency
- Expand the term ALM as used in Banking/Finance sector.
(IBPS Clerk 2011)
 - Asset Liability Management
 - Asset Liability Maturity
 - Asset Liability Mismatch
 - Asset Liability Manpower
 - Asset Liability Maintenance
- Insurance cover for bank deposits in our country is provided by
(IBPS Clerk 2011)
 - SBI
 - Government of India
 - GIG
 - LIC
 - DICGC

15. The economy in which there is a mixture of public sector and private sector both, is called _____ .
(SBI Clerk 2012)
- Closed economy
 - Mixed economy
 - Open economy
 - Free trade economy
 - Public economy
16. What does the letter 'P' denote in the term 'PAN' as used in financial transactions ?
(SBI Clerk 2012)
- Primary
 - Partial
 - Permanent
 - Provisional
 - Public
17. MCX is the index of which of the following stock exchanges of India ?
(SBI Clerk 2012)
- National Stock Exchange
 - Bombay Stock Exchange
 - Delhi Stock Exchange
 - Kolkata Stock Exchange
 - Multi Commodity Stock Exchange
18. The Central Board of Direct Taxes has made e-filing of income-tax returns mandatory for all assesses whose annual earnings exceed _____ .
(SBI Clerk 2012)
- ₹ 5 lakh during the fiscal
 - ₹ 10 lakh during the fiscal
 - ₹ 15 lakh during the fiscal
 - ₹ 20 lakh during the fiscal
 - ₹ 25 lakh during the fiscal
19. The process by which a life insurance policyholder can transfer all rights, title and interest under a policy contract to a third person is known as
(IBPS Clerk 2013)
- Assignment of the policy
 - Hypothecation of the policy
 - Reinvestment of the policy
 - Negotiation of the policy
 - Nomination of the policy
20. An Equity share is also commonly referred to as
(IBPS Clerk 2013)
- ordinary share
 - debenture
 - convertible share
 - security receipt
 - preferred stock
21. The abbreviation EMV stands for
(IBPS Clerk 2014)
- European Marginal Vat
 - Expected Monetary Value
 - Essential Monthly Voucher
 - Europay, MasterCard and Visa
 - None of these
22. Which of the following types of mutual funds is not marked with BROWN color ?
(IBPS Clerk 2014)
- Diversified funds
 - Income funds
 - Sectoral funds
 - Index funds
 - Large-cap funds
23. As per recent reports many countries are planning to introduce "Tobin Tax", the idea of which was given by a Nobel Prize winner economist James Tobin in 1978, Tobin Tax, if implemented will be levied on which of the following?
(SBI PO 2010)
- On the interest income of corporates earned through major investments
 - All cash transactions
 - Services availed specifically by an elite group of people
 - Foreign Exchange Transactions
 - None of these
24. As per the findings of the World Bank, which of the following recent development in rural areas, has doubled the income of rural households, raised literacy rate by 10 % and appreciated land prices by upto 80 % ?
(SBI PO 2010)
- Relief packages to the farmers
 - Construction of all weather roads
 - Recharging of water bodies
 - Rainwater harvesting
 - None of these
25. What does SAPTA stand for:
(SBI PO 2011)
- South Asian Preferential Trade Agreement
 - South Asian Post Trade Agreement
 - SAARC Preferential Trade Agreement
 - SAARC Post Trade Agreement
 - None of these
26. The present Foreign Trade policy of India will continue till-
(IBPS PO/MT 2012)
- December 2012
 - March 2013
 - March 2014
 - June 2013
 - December 2014
27. Which of the following is a receipt listed in India and traded in rupees declaring ownership of shares of a foreign company?
(IBPS PO/MT 2013)
- Indian Depository Receipt (IDR)
 - European Depository Receipt (EDR)
 - Global Depository Receipt (GDR)
 - American Depository Receipt (ADR)
 - Luxemburg Depository Receipt (LDR)
28. Exporters and importers in India are required to know 'FEMA' rules. What does the letter 'M' denote in the term 'FEMA'?
(IBPS Clerk 2011)
- Money
 - Material
 - Mega
 - Management
 - Micro
29. Which of the following is a receipt listed in India and traded in rupees declaring ownership of shares of a foreign company?
(IBPS Clerk 2013)
- Indian Depository Receipt (IDR)
 - European Depository Receipt (EDR)
 - Global Depository Receipt (GDR)
 - American Depository Receipt (ADR)
 - Luxemburg Depository Receipt (LDR)
30. Which among the following Companies in India has a tie-up with the Japanese Financial Nomura for insurance market?
(IBPS PO/MT 2013)
- ICICI Bank
 - UCO Bank
 - Kotak Finance
 - Life Insurance Corporation of India
 - None of the above

31. RuPay is an Indian domestic card scheme conceived and launched by **(IBPS PO/MT 2014)**
 (a) National Payments Corporation of India (NPCI)
 (b) Industrial Finance Corporation of India (IFCI)
 (c) National Minorities Development & Finance Corporation (NDMC)
 (d) National Handicapped Finance and Development Corporation (NHFDC)
 (e) None of these
32. Which of the following is not insured by the DICGC (Deposit Insurance and Credit Guarantee Corporation)? **(IBPS PO/MT 2014)**
 (a) All Indian commercial Banks
 (b) Foreign Banks branches functioning in India
 (c) Local Area Banks
 (d) Cooperative Banks
 (e) Primary cooperative societies
33. Which of the following was/ were not the subsidiary company of the General Insurance Corporation of India? **(SBI PO 2014)**
 (a) National Insurance Company Limited
 (b) Life Insurance Corporation
 (c) New India Assurance Company Limited
 (d) Oriental Insurance Company Limited
 (e) United India Insurance Company Limited
34. Bulls and Bears are terms used in **(IBPS Clerk 2011)**
 (a) Bullion markets (b) Vegetable markets
 (c) Stock Exchange (d) Commodity Markets
 (e) None of these
35. The Finance Minister of India recently decided to review the position of 'Bad Debts' in priority sector. Which of the following is/are the reason(s) owing to which FM took this decision? **(SBI PO 2011)**
 (1) Bad Debt in agriculture is still rising substantially every year despite special treatment to it.
 (2) Bad Debt in other areas of priority sector is almost nil now.
 (3) Govt is planning to disburse another instalment of '1,60,000 crore, which will bring 'Bad Debts' almost at 'Nil level' and no special treatment will be needed in next fiscal year.
 (a) Only (1) (b) Only (2)
 (c) Only (3) (d) Both (1) and (2)
 (e) All (1), (2) and (3)
36. As per estimates of the Planning Commission of India, the target growth rate of 12th Five Year Plan is set at **(SBI PO 2011)**
 (a) 7 to 8% (b) 8.0% to 8.5%
 (c) 9% to 9.5% (d) 10% to 10.5%
 (e) 11%
37. When the rate of inflation increases **(IBPS PO/MT 2011)**
 (a) purchasing power of money increases
 (b) purchasing power of money decreases
 (c) value of money increases
 (d) purchasing power of money remains unaffected
 (e) amount of money in circulation decreases
38. When there is a difference between all receipts and expenditure of the Govt. of India, both capital and revenue, it is called _____. **(IBPS PO/MT 2012)**
 (a) Revenue Deficit
 (b) Budgetary Deficit
 (c) Zero Budgeting
 (d) Trade Gap
 (e) Balance of payment problem
39. The committee on review of National Small Saving Fund (NSSF) was headed by _____. **(IBPS PO/MT 2012)**
 (a) Dr. C. Rangarajan
 (b) Mr. U. K. Sinha
 (c) Dr. Y. V. Reddy
 (d) Mrs. Shyamala Gopinath
 (e) Dr. Usha Thorat
40. Increased interest rates, as is existing in the economy at present will _____. **(IBPS PO/MT 2012)**
 (a) Lead to higher GDP growth
 (b) Lead to lower GDP growth
 (c) Mean higher cost of raw materials
 (d) Mean lower cost of raw materials
 (e) Mean higher wage bill
41. An ECS transaction gets bounced and you are unable to recover your money from your customer. Under which Act criminal action can be initiated? **(IBPS PO/MT 2012)**
 (a) Indian Penal Code
 (b) Negotiable Instruments Act
 (c) Criminal Procedure Code
 (d) Payment and Settlements Act
 (e) Indian Contract Act
42. Government as part of the recapitalisation plan, infused capital in State Bank of India recently. Indicate the approximate capital infusion. **(IBPS PO/MT 2012)**
 (a) ₹ 500 cr. (b) ₹ 1,000 cr.
 (c) ₹ 1,500 cr. (d) ₹ 2,000 cr.
 (e) ₹ 3,000 cr.
43. The NRIs while investing in the equity of a company cannot buy more than prescribed percentage of the paid up capital of that company. What is the prescribed percentage? **(IBPS PO/MT 2013)**
 (a) 2% (b) 3%
 (c) 4% (d) 5%
 (e) 6%
44. Which of the following is an investment advisory discipline? **(IBPS PO/MT 2013)**
 (a) Corporate Industrial Finance
 (b) Offshore Banking
 (c) Wholesale Banking
 (d) Wealth Management
 (e) Trade Finance
45. The process by which a life insurance policyholder can transfer all rights, title and interest- under a policy contract to a third person is known as **(IBPS PO/MT 2013)**
 (a) Assignment of the policy
 (b) Hypothecation of the policy
 (c) Reinvestment of the policy
 (d) Negotiation of the policy
 (e) Nomination of the policy
46. Which of the following is not a mode of foreign capital inflow in India? **(IBPS Clerk 2011)**
 (a) FDI (b) NRI deposits
 (c) FII (d) No frills accounts
 (e) None of these

47. Which of the following aptly describes the business of insurance? **(IBPS Clerk 2011)**
 (a) Insurance is about collective bearing of risk
 (b) Insurance pays to one person from money collected from another person
 (c) Insurance is about disaster management
 (d) Insurance is about paying for others' mistakes
 (e) None of these
48. The maximum amount of the total revenue earned by the Government of India comes from **(IBPS Clerk 2011)**
 (a) Income Tax (b) Customs Duty
 (c) Excise Duty (d) Value Added Tax
 (e) Corporate Tax
49. 'Financial Inclusion' is the latest powerful tool adopted by the Reserve Bank of India to fulfil the basic objective of **(IBPS Clerk 2011)**
 (a) upliftment of population lying Below Poverty Line
 (b) connecting every Indian to the Country's Banking System
 (c) ensuring bank finance to all the landless agriculturists
 (d) overall financial growth backed by inflation control
 (e) inclusion of latest technology in Financial Sector of the country
50. Money laundering means **(IBPS Clerk 2011)**
 (a) Hiding of income source mainly to avoid Income Tax
 (b) Money acquired through criminal source
 (c) Money acquired from undisclosed sources and deposited in foreign banks
 (d) Process of conversion of money obtained illegally to appear to have originated from legitimate sources
 (e) Money acquired from drug trafficking
51. Who amongst the following presented the Union Budget 2012 - 13 in the Parliament? **(IBPS Clerk 2012)**
 (a) Manmohan Singh (b) P. Chidambaram
 (c) Sonia Gandhi (d) Lalu Prasad Yadav
 (e) Pranab Mukherjee
52. As per new estimate what is per capita income in India ? (per annum) **(IBPS Clerk 2012)**
 (a) ₹ 30,000/-
 (b) ₹ 40,000/-
 (c) More than ₹ 50,000/- but less than ₹ 58,000/-
 (d) ₹ 60,000/-
 (e) More than ₹ 75,000/- but less than ₹ 1 Lac
53. The Reserve Bank of India does NOT decide the _____. **(IBPS Clerk 2012)**
 (a) Rate of Repo and Reverse Repo
 (b) Marginal Standing Facility Rates
 (c) Bank Rate
 (d) Rate of Dearness Allowance to Govt. Employees
 (e) Statutory Liquidity Ratio
54. Which of the following is an investment advisory discipline? **(IBPS Clerk 2013)**
 (a) Corporate Industrial Finance
 (b) Offshore Banking
 (c) Wholesale Banking
 (d) Wealth Management
 (e) Trade Finance
55. According to the provisions of the income Tax Act, 1961 a resident individual is categorise as a 'very senior citizen' when he is **(IBPS Clerk 2013)**
 (a) 80 years of age or older
 (b) 75 years of age or older
 (c) 90 years of age or older
 (d) 85 years of age or older
 (e) 65 years of age or older
56. Which of the following is/are the objective (S) of the new industrial policy of the Government of India ? **(SBI PO 2010)**
 (A) To transform India into a major partner and player in the global trade
 (B) To maintain a sustained growth in productivity
 (C) To become the biggest exporter of horticultural products in South East Asia
 (a) Only (A) (b) Only (B)
 (c) Only (A) and (B) (d) Only (B) and (C)
 (e) All (A), (B) and (C)
57. Which of the following is/are commodity/ies on which subsidy is given to farmers/poor in India? **(SBI PO 2011)**
 (1) Fertilizer
 (2) Kerosene
 (3) LPG
 (a) Only (1) (b) Only (2)
 (c) Only (3) (d) Only (1) and (3)
 (e) All (1), (2) and (3)
58. If Indian Banking industry had demonstrated its resilience to external shocks in 2008-09, the credit goes to **(SBI Clerk 2011)**
 (A) Policies of the RBI & the Government of India
 (B) Strength of Indian Business Houses
 (C) Foreign aid/investments to Indian companies
 (a) Only (A) (b) Only (B)
 (c) Only (C) (d) All (A), (B) and (C)
 (e) None of these
59. Which of the following correctly explains Reverse Merger? **(IBPS Clerk 2014)**
 (a) It is the acquisition of a private company by a public company
 (b) It is also known as Special Takeover
 (c) The privately traded corporation is called a "shell"
 (d) It involves the reorganization of capitalization of the acquiring company
 (e) All of the above
60. Which of the following is/are commodity/ies on which subsidy is given to farmers/ poor in India? **(IBPS PO/MT 2011)**
 (A) Fertiliser (B) Kerosene
 (C) LPG
 (a) Only (A) (b) Only (B)
 (c) Only (C) (d) Only (A) & (C)
 (e) All (A), (B) & (C)
61. What is the name of the Pension Scheme of the Unorganised Sector in India? **(IBPS PO/MT 2014)**
 (a) Aajeevika Scheme (b) Swavalamban Scheme
 (c) Indira Awas Yojna (d) Varishtha Scheme
 (e) None of these

62. Which of the following come under Policy Framework for Investment Decisions as outlined by the OECD? **(SBI PO 2014)**
- Policy coherence
 - Importance of transparency approach to policy formulation
 - Regular evaluation of policies on investment environment
 - Corporate governance
 - All of the above
63. Which insurance company has launched Asha Kiran, an health insurance cover, for a family with girl children? **(SBI PO 2014)**
- Oriental Insurance comp. Ltd.
 - Reliance General insurance
 - United India Insurance Comp. Ltd.
 - New India Assurance comp. Ltd.
 - National Insurance Company
64. The high rate of growth of economy certainly reduces **(IBPS Clerk 2011)**
- Gender inequalities
 - Poverty
 - Population of a country
 - Flow of foreign direct investment
 - None of these
65. Which of the following terms is used in the field of Economics? **(IBPS Clerk 2011)**
- Biosphere
 - Exchange Rate
 - Equator
 - Harmonic Tremor
 - Lignite
66. Which of the following is India's new rating index developed by Ministry of Finance? **(SBI Clerk 2012)**
- CECA
 - CRIS
 - SENSEX
 - TIEA
 - RTGS
67. In India, the National Income is measured on the basis of — **(IBPS PO/MT 2015)**
- Flow of goods only
 - Number of employed youth only
 - Volume of tax collected per annum
 - Earning of people working in PSUs and Government jobs
 - All of these
68. Which one of the following a measure of Fiscal Reforms, has Government of India adopted ? **(IBPS PO/MT 2015)**
- Bringing down fiscal deficit to a particular level by an Act of Law
 - Fixing higher rate of growth
 - Allocation of more funds to job oriented schemes
 - Allocation of more funds to provide education to children who are 6–14 years of age
 - None of these
69. Which of the following Acts helps a bank in its day to day activities ? **(IBPS PO 2015)**
- Competition Act
 - Negotiable Instruments Act
 - Hindu Marriage Act
 - Hindu Succession Act
 - NRI Act
70. The difference between the outflow and inflow of foreign currency is known as ____ **(SBI PO Main 2015)**
- Foreign Exchange Reserves
 - Current Account Deficit
 - Fiscal Deficit
 - Balance of Payments
- Only A
 - Only B
 - Only C
 - Only D
 - None of these
71. Which of the following organization finance the Rural Infrastructure Development Fund? **(SBI PO Main 2015)**
- NABARD
 - SEBI
 - SIDBI
 - RBI
 - Govt. of India
72. The form 'ITR-1' is a form for using **(RBI Assistant 2015)**
- Income Tax Challan
 - Excise Duty
 - Customs Duty
 - Income Tax Return
 - None of these
73. What does the letter 'M' denote in the abbreviated term 'MRTP', an act which was applicable in India till recently? **(RBI Assistant 2015)**
- Money
 - Moral
 - Minimum
 - Monopolies
 - Market
74. Which of the following is not a part of Money Market? **(SBI PO Main 2015)**
- Treasury Bill
 - Commercial Papers
 - Mutual Funds
 - Certificate of Deposits
 - None of these
75. What is MZM in money market? **(SBI PO Main 2015)**
- Money with highest return
 - Money with zero maturity
 - Money with sovereign guarantee
 - Monetary base or total currency
 - None of these
76. In economic terms, the total market value of all final goods and services produced in a country in a given year is known as ____ **(RBI Assistant 2015)**
- GNI
 - GDP
 - Inflation
 - PPP
 - Wealth of a nation
77. Zero-based budgeting (ZBB) means- **(SBI PO Main 2015)**
- A tool of marketing cost
 - a tool for financial analysis
 - each year, budgeting starts from a scratch.
 - a certain percentage of sales
 - Both (a) & (b).
78. Banking ombudsmen is appointed by **(IBPS PO Main 2015)**
- SBI
 - Indian Government
 - RBI
 - President
 - Prime minister
79. Which of the following statement is true about the Competition Commission? **(IBPS PO Main 2015)**
- The Competition has been established to prevent practices which do not support healthy business competition.

2. The Commission will have five members including the chairman
3. The Commission has to ensure that the financial operation of any business entity does not get concentrated in the hands of few people.
- (a) Only 1 (b) Only 2
(c) Only 3 (d) All of them
(e) None of them
80. The highest currency note ever printed by the Reserve Bank of India (RBI) was a ₹ 10,000 note during the British Raj. It was printed first in- **(SBI PO Main 2016)**
- (a) 1919 (b) 1946
(c) 1938 (d) 1912
(e) 1978
81. The government has named _____ outside experts as members of the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI), moving to a model followed in the developed world. **(SBI PO Main 2016)**
- (a) One (b) Two
(c) Three (d) Four
(e) Five
82. The rate of inflation increases when the purchasing power of money _____. **(IBPS PO Main 2016)**
- (a) Decreases (b) Increases
(c) Stable (d) Decrease just half
(e) None of these
83. What does 'GIFT' stand for? **(IBPS PO Main 2016)**
- (a) Gujarat Institute of Fashion Technology
(b) Government of India Foreign Trade
(c) Gapping Income Free Of Tax
(d) Gujarat International Financial Tech
(e) Gujarat Institute of Future Technologies
84. The term 'Zero Based Budgeting' refers to _____. **(IBPS PO Main 2016)**
- (a) A specified sum of money authorized by the Legislature for a specific period of time
(b) To ensure that every rupee spent is result oriented
(c) A statutorily mandated form of reimbursement or up-front payment for state expenditures
(d) A cost item for which payment is made by one state agency to another
(e) A shortfall in an existing appropriation, or an additional amount needed to accomplish a new or expanded purpose
85. Which among the following is the difference in value between a country's imports and exports? **(IBPS PO Main 2016)**
- (a) Balance of Trade (b) Balance of Payment
(c) Balance of power (d) Credit Balance
(e) None of the above
86. India was the highest ranked country by capital investment in 2015, with how much worth of FDI projects announced according to FDI Intelligence? **(IBPS PO Main 2016)**
- (a) \$63 billion (b) \$63 million
(c) \$66 billion (d) \$44 billion
(e) \$44 million
87. Which is a hybrid security, combining features of preferred stock and corporate bonds?(**SBI PO Main 2016**)
- (a) UPI (b) NPCI
(c) NEFT (d) MIPS
(e) RTGS
88. Which of the following agencies/institutions report asked the income tax department to ensure that a single tax payer is not issued multiple PAN cards because gap between PAN holders and the number of returns filed was 617.1 lakh? **(IBPS PO Main 2016)**
- (a) IRDA
(b) SEBI
(c) RBI
(d) Comptroller and Auditor General
(e) None of these
89. The 11-member committee, headed by former Finance Secretary Ratan P Watal is related with which among the following committee? **(SBI PO Main 2016)**
- (a) Incentivise transactions through cards and digital
(b) One Rank One Pension
(c) Indo-Pakistani war and Simla Agreement
(d) Financial inclusion or inclusive financing
(e) None of these
90. Currency risk is the potential risk of loss from fluctuating foreign exchange rates when an investor has exposure to foreign currency or in foreign-currency-traded investments. Currency risk is sometimes referred to as- **(SBI PO Main 2016)**
- (a) Monetary Rate (b) Export Rate
(c) Trade Rate (d) Exchange-rate risk
(e) None of the above
91. Name the department that was set up by Union Finance Ministry to streamline government borrowings and better cash management with the overall objective of deepening bond markets. **(SBI PO Main 2016)**
- (a) Debt Management Cell
(b) Department of Debt Management
(c) Cell for management of debt
(d) All of the above
(e) None of these
92. If the rupee depreciates, how the exporters are affected? **(IBPS PO Main 2016)**
- (a) They are unaffected (b) They are in loss
(c) They are in profit (d) They get credit crunch
(e) None of these
93. India has signed a Grant Agreement for Additional Financing in Financing Energy Efficiency at MSMEs Project- Programmatic Framework for Energy Efficiency with _____. **(IBPS PO Main 2016)**
- (a) Asian Development Bank (ADB)
(b) International Fund for Agricultural Development (IFAD)
(c) European Bank for Reconstruction and Development (EBRD)
(d) International Bank for Reconstruction and Development (IBRD)
(e) World Bank
94. The central government issued Treasury bills to fulfil which requirements of banks? **(RBI Assistant 2016)**
- (a) CLR (b) SLR
(c) MSF (d) RRR
(e) None of these

95. In a bid to boost credit growth in the economy, the Centre announced a sum of how much crore for recapitalisation of 13 public sector banks? **(SBI PO Main 2016)**
 (a) ₹ 22,915 crore (b) ₹ 27,110 crore
 (c) ₹ 10,000 crore (d) ₹ 50,207 crore
 (e) ₹ 38,500 crore
96. Bharat Bill Payment System is a major component of the retail payment transactions in India, and is characterized by the presence of large number of billers, who provide a variety of payment options to their customers. According to information available on the RBI website, the top 20 cities are generating INR how much amount in bill payments every year? **(SBI PO Main 2016)**
 (a) INR 16,810 billion (b) INR 4,703 billion
 (c) INR 10,172 billion (d) INR 6,223 billion
 (e) None of the above
97. What is the full form of NBFC as used in the financial sector? **(IBPS PO Main 2016)**
 (a) New Banking Finance Company
 (b) National Banking & Finance Corporation
 (c) Non Business Fund Company
 (d) New Business Finance & Credit
 (e) None of these
98. Which of the following values is considered by a bank when it gives loan against LIC policy? **(IBPS Clerk 2013)**
 (a) Face value (b) Surrender value
 (c) Insured value (d) Both (a) and (b)
 (e) All of these
99. The portion of the commercial bank's reserves that are maintained in accounts with their central bank plus the total currency circulating in the public is termed as **(SBI PO Main 2017)**
 (a) Call money (b) Hot money
 (c) Reserve money (d) High-powered money
 (e) None of these
100. The RBI has said that banks will now report past dues and levy any late payment charges on credit card holders only if the payment has been due for more than **(SBI PO Main 2017)**
 (a) Two days (b) Three days
 (c) Five days (d) Ten days
 (e) None of these
101. Loans to individuals for educational purpose including vocational courses up to _____ for studies in India and _____ for studies abroad are included under priority sector lending by banks **(SBI PO Main 2017)**
 (a) ₹ 5 lakh, ₹ 10 lakh (b) ₹ 7 lakh, ₹ 15 lakh
 (c) ₹ 10 lakh, ₹ 20 lakh (d) ₹ 12 lakh, ₹ 22 lakh
 (e) None of these
102. The financial assistance of loans of ₹ 10000 by bank to a small borrower will be called.....? **(SBI PO Main 2017)**
 (a) Business finance (b) Government finance
 (c) Micro finance (d) Small finance
 (e) KYC finance
103. What is the limit for housing loans under priority sector? **(SBI PO Main 2017)**
 1. Loans to individuals up to 28 lakh in metropolitan centers
2. Loans up to 20 lakh in other centres for purchase/ construction of a dwelling unit per family,
 3. Loans to individuals up to 40 Lakh in metropolitan centres.
 (a) Only 1 (b) Only 2
 (c) Only 3 (d) 1 and 2 both
 (e) None of these
104. The value of goods and services in terms of money is **(IBPS RRB Main 2017)**
 (a) M_1 (b) NNP
 (c) GDP (d) PPP
 (e) M_3
105. Shareholders purchase and sell a fund at the fund's net asset value (NAV), which is calculated daily. NAV is the price used for all Mutual fund share transactions which include **(IBPS RRB Main 2017)**
 (a) New purchases
 (b) Sales (redemptions)
 (c) Exchanges from one fund to another within the same fund family
 (d) Both 1 and 2
 (e) All of these
106. Which of the following Derivatives Contract gives the buyer/holder of the contract the right (but not the obligation) to buy/sell the underlying asset at a predetermined price within or at end of a specified period? **(IBPS RRB Main 2017)**
 (a) Option contracts (b) Future contracts
 (c) Swap contracts (d) Forward contracts
 (e) Hedge contracts
107. A Mutual Fund's NAV calculated on a day is known as **(IBPS RRB Main 2017)**
 (a) Asset value per Fund (b) Price value per share
 (c) Asset value per stock (d) Price value per Fund
 (e) Net asset price
108. Into which of the following can FCEB (Foreign Currency Exchange Bond) be exchanged? **(IBPS RRB Main 2017)**
 (a) Shares of Issuing company
 (b) A foreign country
 (c) Debt instruments
 (d) Equity shares of Offered Company
 (e) Gilt-edged securities
109. In a mutual fund, investors subscriptions are accounted for as **(IBPS RRB Main 2017)**
 (a) Liabilities (b) Deposits
 (c) Unit Capital (d) Assets
 (e) None of these
110. Antidumping duty is applied on issuance of notice from which ministry? **(IBPS Clerk Main 2017)**
 (a) Ministry of External Affairs
 (b) Ministry of Home Affairs
 (c) Ministry of Statistics and Programme Implementation
 (d) Ministry of Commerce & Industry
 (e) Ministry of Defence
111. What is the maximum limit of money a person can keep in India Post Payments Bank (IPPB)? **(IBPS Clerk Main 2017)**
 (a) ₹ 1 Lakh (b) ₹ 2 Lakh
 (c) ₹ 3 Lakh (d) ₹ 4 Lakh
 (e) None of these

112. What is the slowdown in the rate of increase of prices of goods & services in National GDP over time called?
(IBPS Clerk Main 2017)
- (a) Inflation (b) Disinflation
(c) Deflation (d) Equilibrium
(e) None of these
113. The government has applied a 10% surcharge amount on which income group in the budget, 2017-18?
- (a) Where total income exceeds Rs.5 lakh up to Rs.10 lakh
(b) Where total income exceeds Rs.10 lakh up to Rs.50 lakh
(c) Where total income exceeds Rs.50 lakh up to Rs.1 crore
(d) Where the total income exceeds Rs.1 crore
(e) None of these
114. Which of the following is not included in National income account?
(IBPS Clerk Main 2017)
- (a) Transfer of payment
(b) Transactions in stock market
(c) Second hand goods
(d) (a) and (c) only
(e) All of the above
115. RBI's new rules to push another ₹ _____ Loans into Insolvency, according to Credit Suisse.
(IBPS PO Main 2018)
- (a) ₹ 5.5 lakh crore (b) ₹ 4.5 lakh crore
(c) ₹ 3.5 lakh crore (d) ₹ 2.5 lakh crore
(e) ₹ 1.5 lakh crore
116. Which of the following banks has raised its stake in microlender Swadhaar FinServe to 100 per cent to help expand its financial inclusion?
(SBI PO Main 2018)
- (a) State Bank of India (b) South Indian Bank
(c) Kotak Mahindra Bank (d) ICICI Bank
(e) RBL Bank
117. The Reserve Bank of India has started housing loans of up to ₹ _____ for dwellings costing less than ₹ 45 lakh, will be treated as priority sector lending in metropolitan centre (with population of ten lakh and above).
(IBPS RRB PO Main 2018)
- (a) ₹ 42 lakhs (b) ₹ 40 lakhs
(c) ₹ 32 lakhs (d) ₹ 35 lakhs
(e) ₹ 30 lakhs
118. Under Marginal Standing Facility, banks take the loan from
(RBI Grade – B 2018)
- (a) RBI (b) SBI
(c) SIDBI (d) LIC
(e) None of these
119. IRDAI has directed all third-party insurance companies to include vehicle insurance policies cover to vehicle owners-drivers of all vehicles (two-wheelers, three-wheelers, passenger vehicles and commercial vehicles). How much is that additional premium?
(IBPS Clerk Main 2019)
- (a) ₹ 500 (b) ₹ 750
(c) ₹ 10000 (d) ₹ 1000
(e) ₹ 5000
120. Who was the chairman of a working group on Social Stock Exchange constituted by SEBI?
(IBPS PO Main-2019)
- (a) Bibek Debroy (b) Ajay Tyagi
(c) Ishaat Hussain (d) Suresh Mathur
(e) Amitabh Kant
121. CIBIL score is used by banks and NBFCs to ascertain your credit worthiness and the likelihood of you repaying your loan on time. How many digit numbers are there in CIBIL Score?
(IBPS PO Main-2019)
- (a) 1 digit number (b) 2 digit number
(c) 5 digit number (d) 3 digit number
(e) 4 digit number
122. Which of the following State-owned Bank has partnered with M1Xchange Trade Receivables Discounting System (TReDS) platform for MSME bill discounting?
(SBI PO Main-2019)
- (a) Canara Bank (b) Bank of Maharashtra
(c) Bank of Baroda (d) Indian Bank
(e) Central Bank of India
123. ICICI Bank to buy stake in _____ to buy stake in its subsidiary INX for ₹ 31 crore.
(SBI PO Main-2019)
- (a) SEBI (b) NHB
(c) SIDBI (d) NSE
(e) BSE
124. Receivables Exchange of India Ltd (RXIL) was incorporated on 25th February 2016 as a joint venture between-
(SBI PO Main-2019)
- (a) ASSOCHAM (b) RBI
(c) NABARD (d) SIDBI
(e) FICCI
125. Commercial paper is an unsecured promissory note with a fixed maturity of not more than-
(SBI Clerk Main-2019)
- (a) 300 days (b) 365 days
(c) 235 days (d) 290 days
(e) 270 days
126. LIC has how much crore in unclaimed money?
(SBI Clerk Main-2019)
- (a) ₹96,000 crores (b) ₹10,000 crores
(c) ₹10,500 crores (d) ₹11,200 crores
(e) ₹11,500 crores
127. What is the full form of MCLR?
(IBPS RRB Clerk Main-2019)
- (a) Marginal Cost of Funds based Lending Rate
(b) Manual Cost of Funds based Leading Rate
(c) Minimum Cost of Funds by Leading Rate
(d) Maximum Cost of Funds based Large Rate
(e) None of these
128. What is the name given to a type of mutual fund or exchange-traded fund (ETF) that emphasizes current income, either on a monthly or quarterly basis, as opposed to capital gains or appreciation?
(IBPS Clerk Main-2020)
- (a) Index fund (b) Equity fund
(c) Specialty fund (d) Income fund
(e) None of these

Answers & Explanations

1. (e) 2. (a)
3. (d) The euro is the currency used by the Institutions of the European Union and is the official currency of the eurozone, which consists of 17 of the 27 member states of the European Union. It is the second largest reserve currency as well as the second most traded currency in the world after the United States dollar.
4. (b) Planned expenditures are estimated after discussions between each of the ministries concerned and the Planning Commission. The expenditure incurred on the items relating to five year plans is termed as plan expenditure. Such expenditure is incurred by the Central Government.
5. (e) 6. (c) 7. (b) 8. (c) 9. (d)
10. (b) 11. (b) 12. (b) 13. (a) 14. (e)
15. (b) Mixed economy is an economic system in which both the public and private sector direct the economy, reflecting characteristics of both market economies and planned economies.
16. (c) Permanent Account Number (PAN)
17. (e) Multi Commodity Exchange of India Ltd. (MCX) (BSE: 534091) is an independent commodity exchange based in India. It was established in 2003 and is based in Mumbai.
18. (b) 19. (a) 20. (a) 21. (d) 22. (b)
23. (d) 24. (b) 25. (a) 26. (b)
27. (a) An IDR is a receipt, declaring ownership of shares of a foreign company. These receipts can be listed in India and traded in rupees. Just like overseas investors in the US-listed American Depository Receipts (ADRs) of Infosys and Wipro get receipts against ownership of shares held by an Indian custodian, an IDR is proof of ownership of foreign company's shares. The IDRs are denominated in Indian currency and are issued by a domestic depository and the underlying equity shares are secured with a custodian.
28. (d) 29. (a) 30. (d) 31. (a) 32. (e)
33. (b) General Insurance Corporation of India had four fully owned subsidiary companies: National Insurance Company Limited, New India Assurance Company Limited, Oriental Insurance Company Limited and United India Insurance Company Limited. It is the sole reinsurance company in the Indian insurance market with over four decades of experience.
34. (c) 35. (a) 36. (c) 37. (b) 38. (a)
39. (d) 40. (a) 41. (d)
42. (e) State Bank of India, the country's largest lender, received Rs. 3,004 crore from the government as part of state-run banks. After the infusion, the government's shareholding in the bank has increased to 62.31 per cent.
43. (d) An NRI can purchase up to a maximum of 5% of the aggregate paid up capital of the company (equity as well as preference capital) or the aggregate paid up value of each series of convertible debentures as the case may be. Total investment by NRIs cannot exceed 10% of the paid-up capital in an Indian company.
44. (d) Wealth management as an investment-advisory discipline incorporates financial planning, investment portfolio management and a number of aggregated financial services. High-net-worth individuals (HNWIs), small-business owners and families who desire the assistance of a credentialed financial advisory specialist call upon wealth managers to coordinate retail banking, estate planning, legal resources, tax professionals and investment management.
45. (a) 46. (d) 47. (a) 48. (c) 49. (b)
50. (d) 51. (e)
52. (c) The per capita income of Indians for the first time crossed the ₹50,000-mark in 2010-11, although using current prices as the barometer. According to the revised GDP data for the last financial year, per capita income is estimated to have risen 16.9% to ₹53,331 compared to ₹46,117 in the previous year.
53. (d) 54. (d) 55. (a) 56. (c) 57. (e)
58. (d) 59. (d) 60. (e) 61. (b)
62. (e) As per the 'Policy Framework for Investment' of OECD, there are ten principles to redress weaknesses in the investment environment. Three principles apply throughout the Framework. Policy coherence; importance of a transparent approach to policy formulation and implementation; Regular evaluation of the impact of existing and proposed policies on the investment environment; competition policy, corporate governance, etc. are some of them.
63. (d) Public sector general insurer, New India Assurance, in March 2014, launched an exclusive health Insurance cover, New India Asha Kiran, for a family with girl children. The family floater health insurance, gives a 50 percent discount for the girl child. It also provides a personal accident cover for parents and an occurrence of any accident to parents.
64. (b) 65. (b)
66. (b) The finance ministry has developed a new sovereign comparative rating method CRIS. The index, called the "Comparative Rating Index for Sovereigns" (CRIS), is based on Moody's ratings and data on the gross domestic product (GDPs) of different nations as given by the International Monetary Fund (IMF).
67. (e) 68. (a) 69. (b) 70. (b) 71. (a)
72. (d) 73. (d) 74. (c) 75. (b) 76. (b)
77. (c) 78. (c) 79. (d) 80. (c) 81. (c)

82. (a) 83. (d) 84. (b) 85. (a) 86. (a)
 87. (d) 88. (d) 89. (a) 90. (d) 91. (a)
 92. (c) 93. (d) 94. (b) 95. (a) 96. (d)
 97. (e) 98. (b) 99. (d) 100. (b) 101. (c)
 102. (c) 103. (d)

104. (c) The value of all commodities and services could be measured in terms of money, but money cannot be measured through itself. Since money is used to measure and exchange the goods and services produced in any economy, it is better to evaluate money value in proportion of Gross Domestic Products (GDP). The value of GDP at Market Prices in proportion of Broad Money may reveal lowest value of Money whereas Value of GDP at Market Prices in proportion to currency with the public reveals the highest money value.
105. (e) The NAV is the price used for all mutual fund share transactions—new purchases sales (redemptions), and exchanges from one fund to another within the same fund family. It represents the current mark-to-market value of all the fund's assets, minus liabilities (e.g., fund expenses) divided by the total number of outstanding shares. Mutual funds release their daily NAVs to investors and others after they complete the pricing process.
106. (a) There are three basic types of contracts—options, swaps and futures/forward contracts—with variations of each Options Contract is a type which Derivatives Contract which gives the buyer/holder of the contract the right (but not the obligation) to buy/sell the underlying asset at a predetermined price within or at end of a specified period. The buyer / holder of the option purchase the right from the seller/writer for a consideration which is called the premium.
107. (b) The mutual fund's NAV is its net asset value, or price per share. A mutual fund calculates its NAV by adding up the current value of all the stocks, bonds and other securities (including cash) in its portfolio, subtracting the managers salary and other operating expenses, and dividing that figure by the fund's total number of shares. Each end of the business day, net asset value are calculated and referred as net asset value per share. The mutual fund's net asset value is changing daily because of market fluctuations affecting the investments of funds.
108. (d) Regulation 2(s) of Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Second Amendment) Regulations, 2009 defines Foreign Currency Exchangeable Bond (FCEB) means 'a bond expressed in foreign currency, the principal and interest in respect of which is payable in foreign currency, issued by an Issuing Company and subscribed to by

a person who is a resident outside India, in foreign currency and exchangeable into equity share of another company, to be called the Offered Company. In any manner, either wholly or partly or on the basis of any equity related warrants attached to debt instruments. The FCEB may be denominated in any freely convertible foreign currency'.

109. (c) A mutual fund collects money from the investors, issues certificates to them known as units and invests the money collected in securities so as to achieve mutual benefits in terms of capital appreciation in such securities. Mutual funds' liabilities are broken down into units held by subscribers who are thus the fund's shareholders. Each time an investor subscribes to the fund, the latter issues in exchange for the subscription amount, new units of which the investor becomes owner.
110. (c) 111. (a) 112. (b) 113. (c) 114. (e)
115. (e) As per Credit Suisse report on RBI's new rules, another ₹ 1.5 trillion (or ₹ 1.5 lakh crore) of non-performing assets are now likely to be with the National Company Law Tribunal in the next six months,"
116. (e)
117. (d) The Reserve Bank of India stated housing loans of up to ₹ 35 lakh, for dwellings costing less than ₹ 45 lakh, will be treated as priority sector lending. It comes with a condition that the overall cost of the dwelling unit in the metropolitan centre (with population of ten lakh and above) and at other centres should not exceed ₹ 45 lakh and ₹ 30 lakh, respectively, for being classified as priority sector.
118. (a) RBI
119. (b) All vehicle insurance policies will now include personal accident cover worth ₹ 15 lakh in case of the death of the owner while driving or riding. This new rule will help the families of accident victims especially two-wheeler riders who are most of the time under-insured. The Insurance Regulatory and Development Authority (IRDAI) in a circular has directed all third-party insurance companies to include this cover to vehicle owners—drivers of all vehicles (two-wheelers, three-wheelers, passenger vehicles and commercial vehicles) for an additional premium of ₹ 750 per year (annual insurance policy).
120. (c) The Securities and Exchange Board of India (SEBI) has constituted a working group on Social Stock Exchanges (SSE) under the chairmanship of Ishaat Hussain.
121. (d) The Credit Information Bureau (India) Ltd, better known as CIBIL, is the premier agency for providing credit reports and scores pertaining to individuals. CIBIL was incorporated in 2000. A CIBIL score is a three-digit number between 300-900, 300 being the

- lowest, that represents an individual's credit worthiness. A higher CIBIL score suggests good credit history and responsible repayment behavior. CIBIL scores are calculated on the basis of at least 6 months of historical financial data of an individual.
122. (b) State-owned Bank of Maharashtra (BoM) has partnered with MIXchange TReDS platform for MSME bill discounting. Trade Receivables Discounting System (TReDS) is a digital platform to support micro, small and medium enterprises (MSMEs) to get their bills financed at a competitive rate through an auction where multiple registered financiers can participate. The main purpose of TReDS platform is to facilitate smooth flow of liquidity in the system and make finance available at a competitive rate.
123. (e) ICICI Bank has entered into an agreement with the BSE to buy stake in its subsidiary INX located at GIFT City Gujarat for nearly ₹ 31 crore. India International Exchange (INX), a wholly owned subsidiary of the BSE, is India's first international exchange at International Financial Services Centre (IFSC) in GIFT City.
124. (d) Receivables Exchange of India Ltd (RXIL) was incorporated on February 25, 2016 as a joint venture between Small Industries Development Bank of India (SIDBI). SIDBI is the apex financial institution for promotion and financing of MSMEs in India and National Stock Exchange of India Limited (NSE).
125. (e) The world of fixed-income securities can be divided into two main categories. Capital markets consist of securities with maturities of more than 270 days, while the money market comprises all fixed-income instruments that mature in 270 days or fewer.
126. (c) India's biggest life insurer LIC or Life Insurance Corporation of India is sitting on over two-third of that unclaimed money while the other 22 private life insurers account for the rest, according to a PTI report. LIC has ₹ 10,509 crore of unclaimed insurance money while among private insurers, ICICI Prudential Life Insurance Co. Ltd has ₹ 807 crore, followed by Reliance Nippon Life Insurance (₹ 696 crore), SBI Life Insurance Co (₹ 678 crore) and HDFC Standard Life Insurance (₹ 659 crore), says the report.
127. (a) MCLR (Marginal Cost of funds based Lending Rate) replaced the earlier base rate system to determine the lending rates for commercial banks. RBI implemented MCLR on 1 April 2016 to determine rates of interests for loans. It is an internal reference rate for banks to determine the interest they can levy on loans. MCLR is calculated based on the loan tenor, i.e., the amount of time a borrower has to repay the loan.
128. (d) An income fund is a type of mutual fund or exchange-traded fund (ETF) that emphasizes current income, either on a monthly or quarterly basis, as opposed to capital gains or appreciation. Income funds may invest in bonds or other fixed-income securities as well as preferred shares and dividend stocks.